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January 5, 1998

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Mr. Magalie Roman Salas, Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

Re: In re Applications of WorldCom, Inc. and MCI
Communications Corp. for Transfer of Control
of MCI Communications Corp.
CC Docket No. 97-211

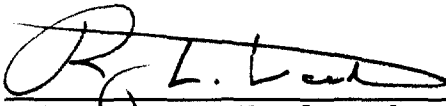
Dear Ms. Roman Salas:

On behalf of Simply Internet, Inc. ("Simply Internet"), we hereby attach one (1) original plus four (4) copies of Simply Internet's Petition to Deny and Request for Hearing filed in response to the above-referenced applications. In addition, we attach a 3.5" floppy disk containing the filing in WordPerfect for Windows version 5.1 format.

If there are any questions with respect to this filing, please contact the undersigned counsel at 202-457-7874.

Respectfully submitted,

WILKES, ARTIS, HEDRICK & LANE,
Chartered

By: 
Ramsey L. Woodworth
Rudolph J. Geist

Attorneys for Simply Internet, Inc.

Attachments

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

JAN - 5 1998

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Applications of WorldCom, Inc.)
and MCI Communications Corp.) CC Docket No. 97-211
for Transfer of Control of)
MCI Communications Corp.)

To: The Commission

PETITION TO DENY AND REQUEST FOR HEARING

Respectfully submitted,

SIMPLY INTERNET, INC.

By:

Ramsey L. Woodworth

Rudolph J. Geist

WILKES, ARTIS, HEDRICK & LANE,
Chartered
1666 K Street, N.W. Suite 1100
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Its Attorneys

January 5, 1998

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SUMMARY

Simply Internet, Inc., an Internet Service Provider in San Diego, CA, hereby requests that the Commission deny the applications for transfer of control of MCI Communications Corp. ("MCI") to WorldCom, Inc. ("WorldCom"), and requests that the Commission hold comprehensive fact-finding hearings to examine the very substantial public interest ramifications of the proposed merger. The applications raise very serious questions regarding the potential anti-competitive effects of the merger on the national Internet backbone provider market. The public interest requires that the Commission carefully evaluate the complexity of these issues and deny the applications.

In the Matter of)
)
Applications of WorldCom, Inc.)
and MCI Communications Corp.) CC Docket No. 97-211
for Transfer of Control of)
MCI Communications Corp.)

To: The Commission

Pursuant to the procedures set forth in the Commission's Public Notice of November 25, 1997, DA 97-2494, and Sections 309(d)-(e) of the Communications Act of 1934, as amended, 47 U.S.C. § 309(d)-(e), Simply Internet, Inc. ("Simply Internet"), hereby petitions to deny the above-referenced applications filed by WorldCom, Inc. ("WorldCom"), and MCI Communications Corp. ("MCI"), and requests that the applications be designated for evidentiary hearing to examine fully the substantial and material competitive issues raised by the proposed merger of WorldCom and MCI.

Simply Internet is an Internet service provider ("ISP") located in San Diego, California, servicing Internet customers in several area codes throughout the state of

California. Simply Internet currently indirectly¹ obtains backbone connectivity to the global Internet through WorldCom's wholly owned Internet backbone provider ("IBP"), UUNET Technologies, Inc. ("UUNET").² Simply Internet also purchases its local loop telecommunications infrastructure from WorldCom which it utilizes in providing Internet services directly to end user customers. As shown below, Simply Internet stands to be competitively injured if the proposed merger of MCI and WorldCom is permitted, and accordingly is a party in interest with respect to the above-referenced applications with standing to file this Petition to Deny. See FCC v. Sanders Bros. Radio Station, 309 U.S. 470 (1940).

Grant of the above-referenced applications will lead to the merger of the largest and third largest Internet backbone provider companies in the United States, thereby creating an excessive degree of market concentration in the national Internet backbone services market which will severely hamper the free and competitive development of the overall Internet services industry. Because of the complexity of the issues and very substantial public

¹ A third party ISP in San Diego resells Simply Internet a portion of a partial DS-3 (45 Mbps) Internet backbone connection which it purchases directly from UUNET.

² Further, Simply Internet was formerly a customer of MCI's wholly owned cellular subsidiary, Nationwide Cellular Service, Inc., until MCI canceled its contract without notice or cause. Simply Internet and MCI are currently in litigation over the wrongful termination of this contract in San Diego Superior Court (Case No. 710799). The issues in this litigation do not directly pertain to the issues raised in this petition and will not be further addressed herein.

interest ramifications of the proposed merger, Simply Internet requests that the Commission hold comprehensive evidentiary hearings to examine all relevant facts. The Commission must act in the public interest to ensure that the future development of the Internet will be unhampered by the potential for anti-competitive abuses resulting from this merger.

The Internet industry is the newest and fastest growing segment of the overall telecommunications industry. Since the deregulation of the National Science Foundation's NSFNET in April 1995, the Internet has grown from a handful of ISPs to over 4,350 today. In recognition of the rapidly evolving nature of this new and innovative industry, the Commission has to date unanimously determined that the competitive marketplace, rather than regulatory controls, should be relied upon to guide the future development of Internet services. For example, the Commission recently determined to keep intact the enhanced service provider ("ESP") exemption, thereby continuing to exempt ISPs from the payment of access charges and other related regulation.³ The Commission has also demonstrated its policy in favor of a competitive Internet by permitting ISPs to seek reimbursement from the federal Universal Service Fund for their provision of services to participating schools and

³ See In re Usage of the Public Switched Network by Information Service and Internet Access Providers, Notice of Inquiry, CC Docket No. 96-263, FCC 96-488, released December 24, 1996.

libraries.⁴ The evolution of a highly competitive ISP industry in such a short period of time is an excellent example of the positive effects of the Commission's policy favoring a competitive environment with respect to the development of the Internet.

While the ISP market is highly competitive, the Internet backbone market is not. The three largest national IBPs (MCI, Sprint, and WorldCom (UUNET)) control 74% of the total Internet backbone connections to ISPs.⁵ Of these, MCI and WorldCom are also respectively the second and fourth largest interexchange carriers in the United States.⁶ Due to their ownership and control of very substantial facilities-based nationwide fiber optic networks for their provision of interexchange services, MCI and WorldCom have been able very rapidly to obtain control over substantial shares of the Internet backbone provider market. Sprint, which is currently the third largest interexchange company,⁷ and the second largest IBP, is the only other national IBP that currently owns a nationwide facilities-based fiber optic network suitable for Internet traffic. Moreover, the barriers to entry are substantial. It is currently very

⁴ See In re Federal-State Joint Board on Universal Service, Report and Order, CC Docket No. 96-45, FCC 97-157, released May 8, 1997, at para. 425.

⁵ See Attachment A, Editor's Notes: Cultural Legacy of Communications Monopolies, Jack Rickard, Boardwatch Magazine, January 1997.

⁶ Phillips 1997 Telephone Industry Directory, 11th ed., at 391-407.

⁷ Id.

expensive and difficult for emerging competitors of the "big three" to lease, let alone, construct, necessary facilities to enable them to provide similar national IBP services.

Besides being the fourth largest interexchange carrier and third largest Internet backbone provider, WorldCom is also the largest provider of Internet dial-up infrastructure in the United States, providing dial-up points-of-presence ("POPs") to several of the largest national ISPs. Most of the largest national ISPs, including, America Online, CompuServe, EarthLink Network, and MindSpring lease their dial-up ports from WorldCom instead of constructing their own POPs. This gives WorldCom substantial additional control over a large portion of all Internet traffic in the United States.

The Proposed Merger Will Create Disproportionate Market Power in the Post-Merger Company Creating the Potential for Serious Anti-Competitive Activity

Section 310(d) of the Communications Act requires the Commission to determine that a proposed transfer of control of a company holding radio licenses is in the public interest, convenience and necessity before it may grant authority.⁸ As part of this analysis, the Commission must carefully consider the potential antitrust consequences of a proposed merger in conjunction with other public interest factors.⁹ This review is required to evaluate such factors

⁸ See 47 U.S.C. § 310(d) (1996).

⁹ See In re Craig O. McCaw and American Telephone and Telegraph Co., Memorandum Opinion and Order, 9 FCC Rcd 5836, at 5844 (1994) ("McCaw").

as the potential effects of a merger on competition and how consumers will be thereby be effected.¹⁰

The proposed combination of MCI and WorldCom would create a post-merger company with highly disproportionate market power in the Internet backbone services market, creating the potential for anti-competitive abuses which would harm competitor Internet backbone providers, customer Internet service providers, and consumers. There is currently a clearly defined national Internet backbone services market¹¹ consisting of approximately thirty-seven (37) national Internet backbone providers supplying Internet backbone connectivity services to approximately 4,354 ISPs, representing a total of 5,739 Internet backbone connections.¹² Evaluating this clearly defined product and geographic market under the Justice Department (DOJ) and

¹⁰ Id.

¹¹ See Attachment B, taken from Boardwatch Magazine, Directory of Internet Service Providers, Fall 1997 ("ISP Directory"). Boardwatch is the Internet Service Provider industry's leading trade publication which has been tracking growth of the ISP and IBP markets since their inception.

¹² The ISP backbone connectivity market is a separately defined market from the national IBP connectivity market to non-ISP businesses (i.e., corporations, government, etc.). However, the same IBPs supply both ISPs and businesses. The two markets together make up the entire national market for all Internet backbone connectivity, to which there are no alternatives. While not cited here, the data with respect to market share of the respective IBPs in the business connectivity market, with few exceptions, almost mirrors each IBPs market share in the ISP market. See Attachment C, Jack Rickard, Editor's Notes: The Big, The Confused, and the Nasty, Boardwatch Magazine, June 1997. Although there are similar potential antitrust implications with respect to the business connectivity market which are triggered by this proposed merger, the ramifications to that market are not discussed herein.

Federal Trade Commission's (FTC) Horizontal Merger Guidelines (the "Guidelines")¹³ produces alarming results with respect to the market power resulting from the proposed post-merger combination.

The following table summarizes the current IBPs with more than 1% of the total percentage of Internet backbone connections provisioned to ISPs:¹⁴

COMPANY	# OF CONNECTIONS	% OF MARKET (Pre-Merger)
MCI	1689	29.4%
Sprint	1298	22.6%
WorldCom (UUNET, CIS, ANS)	1091	19%
AGIS	354	6.2%
BBN	234	4.1%
Digex	114	2.0%
CRL	106	1.8%
GoodNet	75	1.3%
iStar	71	1.2%

If MCI and WorldCom are permitted to merge their Internet backbone operations, the post-merger company would by far be the largest IBP and control 48.4% of all Internet backbone connections to ISPs (29.4% & 19%). When evaluated under the Guidelines, this proposed combination raises substantial and material questions as to the potential for abuse of market

¹³ Department of Justice/Federal Trade Commission Horizontal Merger Guidelines, 4 Trade Reg. Rep. (CCH) ¶ 13,104.

¹⁴ The data contained in this table is taken from the ISP Directory. See Attachment B. This data is voluntarily reported to Boardwatch by the vast majority of IBPs and ISPs in the United States for purposes of maintaining usable industry statistics.

power and anti-competitive activity by the post-merger combination.

Under the Guidelines, market concentration is determined by using the Herfindahl-Hirschman Index ("HHI"). According to the above-referenced IBP market share data, the pre-merger level of concentration of the current IBP market equals an HHI of 1802 $[(29.4)^2 + (22.6)^2 + (19.0)^2 + (6.2)^2 + (4.1)^2 + (2.0)^2 + (1.8)^2 + (1.3)^2 + (1.2)^2]$ - an already highly concentrated market. In such a highly concentrated market, where a merger results in an increase of over 100 in the HHI, the DOJ must presume that the combination will "create or enhance market power or facilitate its exercise." See Guidelines at Section 1.51. Under the standard, the post-merger HHI of the proposed MCI/WorldCom combination with respect to the IBP market sets off alarm bells. This combination will result in a post-merger level of concentration of 2919 $[(29.4 + 19.0)^2 + (22.6)^2 + (6.2)^2 + (4.1)^2 + (2.0)^2 + (1.8)^2 + (1.3)^2 + (1.2)^2]$ - an increase in the HHI level of concentration of 1117. This raises serious questions as to the potential for anti-competitive activity which may result from the combination of MCI and WorldCom.

The post-merger MCI/WorldCom would be more than twice the size of the second largest IBP, Sprint, and eight times the size of the third largest competitor, AGIS. This type of market power is impermissible in a brand new and fragile industry where the remaining competitors combined would have disproportional smaller market shares, and where none of the

competitors except MCI/WorldCom and Sprint are facilities-based. The ability of non-facilities-based entities to compete effectively is questionable in such a highly concentrated market where the two largest companies control most of the facilities.¹⁵

The ability to exercise market power to the disadvantage of competitors has already been demonstrated by WorldCom's UUNET which declared in May 1997, that it would no longer provide peering arrangements¹⁶ to competitor IBPs unless those IBPs "can route traffic on a bilateral and equitable basis."¹⁷ Shortly after announcing its new peering policy with respect to competitors, UUNET unilaterally canceled many of its existing peering contracts with competitors who it determined were not in compliance with its new policy, and required that they re-negotiate those contracts according to UUNET's new terms, or not be permitted to peer on UUNET's network. Some of the new terms included the payment of \$24,000 per month for peering arrangements and the signing of a five-year non-disclosure

¹⁵ The market power of these carriers is even more substantial when it is considered that many of the non-facilities-based IBPs are forced to rely on MCI, WorldCom and Sprint to provide them with the necessary leased-line facilities and peering arrangements to operate a national IBP network.

¹⁶ Peering is the method by which Internet backbone providers interconnect their respective networks. Peering is based upon the basic assumption of the Internet - the free, unswitched flow of information packets over a global communications network.

¹⁷ See Attachment D, Press Release of UUNET, May 12, 1997.

agreement by the competing IBP.¹⁸ In implementing these new policies, UUNET has shown a clear intent to commandeer the Internet for itself, while extracting premium payments from struggling IBP competitors who otherwise would face disconnection from one of the major Internet backbone network routes. These actions by UUNET not only raise serious and material questions as to the anti-trust implications of UUNET's current business practices with respect to its IBP competitors, but also show the potential for its abuse of market power if permitted to merge with MCI and control nearly 50% of the national IBP market. UUNET's track record strongly suggests that if it were permitted to combine with MCI, the substantial market power gained would be used to the detriment of an open and competitive national IBP marketplace, leaving ISPs with very limited choices for purchasing necessary Internet backbone connectivity.

An ISPs backbone connection/s to the Internet is the single most important aspect of its business. Without a competitive market for high quality and reliable Internet backbone connections, an ISP could lose its gate to the overall network or be forced to pay excessive prices for Internet backbone connections with the potential for inefficient and unreliable network connections. With the high degree of competition in the dial-up Internet industry,

¹⁸ See Attachment A, Jack Rickard, Editor's Notes: Cultural Legacy of Communications Monopolies, Boardwatch Magazine, January 1997. See also Attachment C, Jack Rickard, Editor's Notes: The Big, The Confused, and the Nasty, Boardwatch Magazine, June 1997.

an ISP who loses its backbone connectivity to the Internet for even a few hours could face substantial customer losses. The Commission must not allow the IBP market to be controlled by one or two companies before competition has a chance to develop fully.

Excessive concentration in the IBOP market could also lead to significantly higher prices to consumers for dial-up Internet services. WorldCom UUNET has been a principal advocate of altering the current flat-rate pricing structure of unlimited dial-up Internet service to usage-based rates, or penny-per-pixel pricing (a position which has been widely criticized throughout the industry).¹⁹ This basic change would drive up both the price of Internet backbone services to ISPs and the basic currently affordable price of unlimited dial-up Internet access services which has been the key factor in the rapid and successful growth of the consumer segment of the Internet industry. While WorldCom UUNET has every right to advocate this position, it has no right to obtain so dominant a share of the marketplace as to be in a position to unilaterally impose such a change.

As in the McCaw case,²⁰ the Commission should conduct a very careful review of the potential anti-competitive consequences which could result from this merger. To do this, it should use all available resources to obtain a

¹⁹ See Attachment E, Jack Rickard, Editor's Notes: Lawlor Crucified and Sidgemore's Penny Per Pixel Fantasies, Boardwatch Magazine, November, 1997.

²⁰ See McCaw, 9 FCC Rcd at 5842.

complete factual record, including as in McCaw, requesting relevant information and documents filed by the parties with the Department of Justice and Federal Trade Commission pursuant to the Hart-Scott-Rodino amendment to the Clayton Act ("HSR").²¹

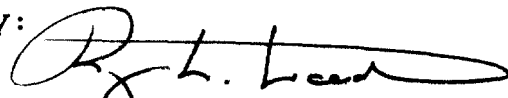
Conclusion

For the foregoing reasons, Simply Internet respectfully request that the Commission deny the above-referenced applications or designate them for hearing to examine fully the substantial and material competitive issues raised. The public interest mandates that the Commission deny the merger in order to protect the newly emerging Internet industry and preserve developing competitive markets.

Respectfully submitted,

SIMPLY INTERNET, INC.

By:


Ramsey L. Woodworth


Rudolph J. Geist

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Its Attorneys

January 5, 1998

²¹ Hart-Scott-Rodino Antitrust Improvements Act, 15 U.S.C. § 18a (1996 Supp.).

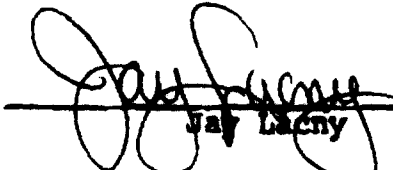
DECLARATION

Under penalty of perjury, Jay Lacny hereby states as follows:

1. I am President of Simply Internet, Inc.

I have read the foregoing Petition to Deny and Request for Hearing, dated January 5, 1998, which I understand is to be filed with the Federal Communications Commission.

To the best of my personal knowledge and belief, the facts contained therein are true and correct.


Jay Lacny

January 5, 1998

ATTACHMENT A

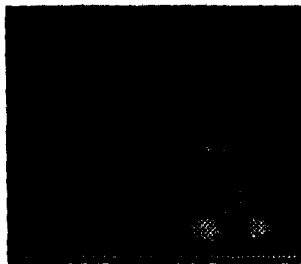
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Editor's Notes



by Jack Rickard

CULTURAL LEGACY OF COMMUNICATIONS MONOPOLIES



Communication monopolies are good business - for those who have the monopoly. In spite of all the grouching you've heard from telcos the past few years, AT&T had well over a hundred years of continuous uninterrupted dividends and remains even today the most widely held stock in America.

The Internet began life as a build, around bypassing telephone companies. They did, of course, provide the leased-line infrastructure, at their published prices for same. But take care following the currently revised history of the Internet. They didn't think it should be done. They didn't think anyone else should do it. And they repeatedly announced in braying terms that there was no real market for it then or in the future. I personally delivered at least eight presentations to telcos about providing relatively modest data service offerings and was assured by very knowledgeable telco execs that there would never be a market for it. Whenever you hear now that they really invented it, take it with a grain of salt.

The concept of an Internet monopoly was originally an oxymoron. There were a large number of networks, most notably universities and DOD

contractors. If you interconnected them in cooperative fashion for the exchange of data, you had an internet. And if it somehow connected to the NSFNet backbone after about 1986, it was on the capital "I" Internet.

Since the commercialization and privatization of the Internet - intended to end the government "monopoly" of the Internet - there has been approximately 1,400 Teramanhours spent by nearly everyone, but particularly telco types, in trying to devise a method to control or "own" the Internet. This can be terribly difficult with over 4,000 vendors in a competitive environment.

But the Internet is quite hierarchical. Almost all of the 4,470 ISPs we count in operation in the U.S. and Canada as of December 1 get THEIR connection to the Internet from a relative handful of top-level backbone operators. And the distribution there is not very symmetrical either. These 4,470 ISPs, many of which sport more than one connection, have a total of 5,458 connections between them to backbones that we have some data on. MCI, Sprint, and UUNET, together provide 74 percent of those connections with about 30 other backbones splitting up the rest.

This month, WorldCom and MCI announced an agreement whereby they would mate and become one. My good buddy John Sidgmore actually quoted Boardwatch in an attempt to refute the charge that the merger would be anti-competitive, noting that there were over 4,000 providers. He rather neatly sidestepped the issue that over half of them all got their connections from either MCI or UUNET - effectively concentrating power over half the Internet under the WorldCom umbrella with this proposed merger.

And the power has grown more evident. Originally to get a connection to the Internet, you called a buddy, he said OK, and you were connected. This inevitably evolved into written agreements as the industry matured. Of late, these agreements have become so egregiously one-sided, demanding, and hysterically ridiculous that they should serve as textbook examples of the end result of a runaway judicial system. Just this last spring, UUNET, under Sidgmore, canceled all existing agreements with numerous ISPs. To even get to READ the new proposed agreements, ISPs were required to sign a Mutual Non-Disclosure Agreement, or MNDA. Even the perpetrators of these connection agreements have enough sense to be mortified and embarrassed to have the details of these agreements known. They essentially required the prospective customer to agree not to discuss the details now or in the future, whether or not they eventually signed one.

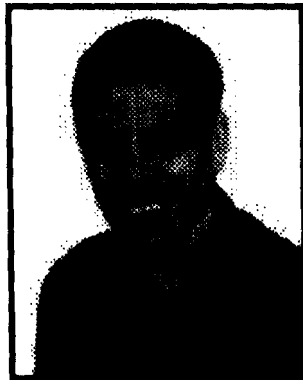
And with every agreement issued, a new clause is added to move some backbone provider's problem, either perceived or potential, from their desk to the desk of one of their customers. In turn, rank and file ISPs have begun emulating this with end-user agreements that are just a scream. The result is a totally irrational market for Internet connections with hundreds of different variations on the same basic product issued to hundreds of different customers depending on when they were signed, how big the

customer was and how much leverage they had, and ultimately of course their willingness to put up with all this nonsense.

This was the trend in an essentially competitive market. With WorldCom's insatiable appetite for gobbling up everything in sight, including WillTel, MFS, UUNET, Brooks Fiber, CompuServe, ANS, and now MCI, they have very nearly pulled off the coup of the century - total control and ownership of the Internet. And there is apparently no limit. Current rumor even has them acquiring AOL next year.

And while the number of Internet service providers continues to grow, the number of national backbones they can connect to is beginning to shrink. GTE has purchased BBN and now Genuity. Even PSINet which has struggled financially in the past two years despite continued growth, has now acquired Canadian backbone operator iSTAR. But the WorldCom acquisition of MCI places well over half of all Internet service provider connections under the thumb of Bernard J. Ebbers.

The FCC must of course review the merger. This is particularly interesting in that an almost entirely new Federal Communications Commission was sworn in on November 3, 1997. This would seem a good time to introduce who they are.



WILLIAM E. KENNARD

(Democrat)

wkennard@fcc.gov

Nominated to the Commission and designated to serve as Chairman by President Clinton; confirmed October 29, 1997; sworn in November 3, 1997; term ends June 30, 2001. Chairman Kennard had been general counsel of the Federal Communications Commission since December 8, 1993.

Previously, he was a partner and member of the board of directors of the Washington, DC law firm of Verner, Liipfert, Bernhard, McPherson and Hand. At Verner, Kennard specialized in communications law, with an emphasis on regulatory and transactional matters for communications companies, including broadcasters, cable television operators, programmers and cellular telephone providers. Served as assistant general counsel and as legal fellow for the National Association of Broadcasters. Born in Los Angeles, California. Graduated Phi Beta Kappa from Stanford University and received JD from Yale Law School. Member of the California and District of Columbia Bars.



SUSAN NESS

(Democrat)

sness@fcc.gov

Nominated to the Commission by President Clinton; confirmed May 19, 1994; sworn in May 23, 1994; term ends June 30, 1999.

Previously, Commissioner Ness served as vice president and group head of the Communications Industries Division of American Security Bank. Her portfolio included companies providing cable

television, radio and television broadcast, satellite telecommunications, cable programming, rural telephone, and wireless communications. Earlier, she founded and directed the Judicial Appointments Project of the National Women's Political Caucus to increase the representation of women on the federal bench. She also served as assistant counsel to the Committee on Banking, Currency and Housing of the U.S. House of Representatives. Her prior civic activities include chair of the Montgomery County Charter Review Commission, vice chair of the Montgomery County Task Force on Community Access Television, and president of the Montgomery County Commission for Women and a member of Leadership Washington. Born in Elizabeth, New Jersey, she holds a BA from Douglass College (Rutgers University), an MBA from the Wharton School (University of Pennsylvania) and a JD, *cum laude* from Boston College Law School. Member of the District of Columbia Bar.



HAROLD W. FURCHTGOTT-ROTH

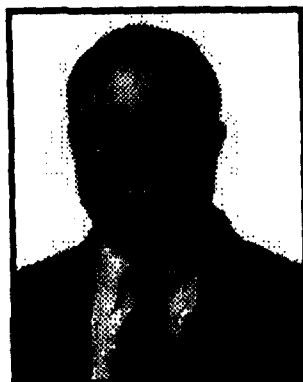
(Republican)

hfurchtg@fcc.gov

Nominated to the Commission by President Clinton; confirmed October 28, 1997; sworn in November 3, 1997; term ends June 30, 2000. Previously, Commissioner

Furchtgott-Roth was the chief economist for the U.S. House Committee on Commerce. The committee has legislative jurisdiction over laws governing telecommunications.

Was a senior economist for Economists Incorporated from 1988-1995. Served as research analyst for the Center for Naval Analyses. Born in Knoxville, Tennessee. Holds an economics degree from the Massachusetts Institute of Technology and a Ph.D. in Economics from Stanford University. Is a member of the American Economics Association and the Econometrics Society staff.



MICHAEL K. POWELL

(Republican)

mpowell@fcc.gov

Nominated to the Commission by President Clinton; confirmed October 28, 1997; sworn in November 3, 1997; term ends June 30, 2002. Was the chief of staff of the Antitrust Division in the Department of Justice since December 1996. Served as an associate with the law office of O'Melveny & Myers, LLP, where he practiced in the areas of

telecommunications, antitrust, and employment law. Served as a judicial clerk to the Honorable Harry T. Edwards, Chief Judge of the U.S. Court of Appeals for the District of Columbia Circuit. Was a policy advisor to the Secretary of Defense for matters involving the United States-Japan security relationship. Served as a cavalry officer in the U.S. Army from 1985 to 1988. Born in Birmingham, Alabama. Graduated from the College of William and Mary with a degree in government. Received his JD from Georgetown University Law Center.



GLORIA TRISTANI

(Democrat)

gtristan@fcc.gov

Nominated to the Commission by President Clinton; confirmed October 28, 1997; sworn in November 3, 1997; term ends June 30, 2003. Served on New Mexico State Corporation Commission since 1994, where she was the first woman elected to that office. Served as commission chair in 1996. Served on the National Association of

Regulatory Utility Commission's communications committee. Was an attorney in private practice in Albuquerque. Named one of the Nation's 100 most influential Hispanics by *Hispanic Business Magazine* in 1996. Born in San Juan, Puerto Rico. Received undergraduate degree from Barnard College of Columbia University and law degree from the University of New Mexico School of Law. Board member of the Dennis Chavez Foundation. Member of the New Mexico and Colorado Bars and the American Bar Association.

It is interesting that Kennard came from the antitrust division of the Justice Department - a doubly layered oxymoron. On November 10, the new chairman, William Kennard, issued the following statement regarding the proposed WorldCom/-MCI merger:


"We will carefully review this transaction to ensure that it will benefit American consumers."

There isn't much we can read into that. But rumors would indicate that the FCC is much more focused on competition in local voice telephone service

than on the Internet. And that they view WorldCom/MCI as one of the few viable competitors emerging to take on the extant regional Bell operating companies. This could lead to the very interesting scenario that in the future we may well be able to reach WorldCom's Internet using any local carrier we choose.

Jack Rickard
Editor Rotundus

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